

Beetle Smith Gives U.S. Intelligence

By John Scali

GEN. WALTER BEDELL SMITH, a rugged soldier-diplomat who knows the Russians first-hand, has started to revamp and streamline the Government's secret intelligence operations.

If his mission succeeds, the Nation can expect a clearer picture of what Russia, or any potential enemy, is plotting. If he should flop, his explanation, if any, might be drowned out in the roar of world-wide war.

General Smith's title is Director of Central Intelligence. He is the man President Truman turns to when, for example, he wants to know how many atom bombs the Russians have or—more important—what they intend to do with them.

It's his duty to provide quick but solid replies to such urgent questions.

He is boss of several thousand employees who work in half a dozen heavily guarded buildings surrounded by a high wooden fence, a stone's throw from the Potomac. This is the Central Intelligence Agency (CIA), created by Congress to coordinate the separate intelligence activities of all Government agencies.

THE GENERAL, now 56, has tackled many a tough chore for his Government since he enlisted in the Indiana National Guard at the age of 15.

After rising from the ranks, he served with outstanding success as General Eisenhower's chief of staff during the last war, from the earliest stages until the German surrender.

Later, he donned his Army khaki and went to Moscow as American Ambassador, one of the most important assignments in the diplomatic service. His achievements from 1946 to 1949 won him the praise and respect of the State Department.

Despite this record, it's doubtful that "Beetle," as his friends call him, has ever faced a more pressing assignment, or one in which the odds were stacked so high against him.

Under the best conditions, trying to figure out what the Russians are apt to do, either directly or through their satellites, is an uncertain business. The Kremlin guards every scrap of information that could tip off the West about Russian capabilities and intentions. A ruthless Russian counter-intelligence is always working to eliminate any Soviet citizen suspected of leaking secrets.

To make the general's task even more difficult, the United States ranks as a rookie in the big league of intelligence.

IT WAS ONLY three years ago that Congress somewhat reluctantly authorized the Administration to create a peacetime Central Intelligence Agency. Until then, the Government's various departments had gathered their own intelligence and swapped it back and forth on a hit-or-miss basis.

"Now we are trying to do in a big hurry and in time of crisis what it has taken the British some 300 years to accomplish," says one key Government intelligence expert.

President Truman drafted "Beetle" to take over his new job last October 7. At that time, critics were still lambasting Central Intelligence with charges that it failed to warn the Government in time of North Korean plans to invade South Korea.

"Beetle" had just returned to active Army duty then and was commanding general of the First Army Area, with headquarters at Governor's Island, New York. A telephone call from the President put him back into civilian clothes.

His predecessor, Rear Admiral Roscoe Hillenkoetter, returned to active naval duty in accordance with his wishes. True to the CIA's secrecy traditions, he never replied to the attacks on him and his agency.

"BEETLE" took on the job knowing he was no great intelligence expert. He had been primarily a foot soldier, but he had a good working knowledge of the intelligence problems of both diplomats and generals from long Army service and his years in Moscow.

Realizing he needed expert advice, he asked William H. Jackson, a New York lawyer, to become his deputy. He didn't even know Jackson personally, but knew that he had been a colonel in Army Intelligence under Gen. Omar Bradley during the war. And Jackson had spent months in 1948 as part of a three-man team, working under orders of the National Security Council, seeking to find out what was wrong with American intelligence.

He then persuaded Allen Dulles, a second member of the investigating team, to desert his law practice, too, and join CIA as a top consultant. Dulles is a brother of John Foster Dulles, Secretary Acheson's Republican foreign policy adviser. During the war he was one of the most successful "field men" in the Office of Strategic Services. He has been branded as a "spy" by Radio Moscow.

For his top administrator, and custodian of CIA's purse strings, Smith selected another New Yorker, Murray McConnell, who had earned a reputation in the business world for his ability to take over a bankrupt company and put it on its feet.

ONCE HE WAS satisfied with his staff, the general began to reorganize CIA. Using the recommendations of the three-man committee as a blueprint, he has moved quickly and decisively.

Much of what Smith has done must necessarily remain secret. However, it is possible to report that he has:

1. Ended the long-standing quarrel between CIA and the State Department about who is responsible for "political intelligence." Smith has surrendered that function to the State Department and eliminated duplicating activities in CIA.

2. Channeled CIA's main efforts toward a single goal—producing detailed "national intelligence estimates" which try to evaluate the capabilities and intentions of a potential enemy.

3. Changed CIA's tactics in gathering and writing its reports—"for the better," in the view of most Government agencies which deal with CIA.

4. Buoyed the morale of CIA employees and Government intelligence experts generally.

PERHAPS the most important change "Beetle" has made is to start producing the new national intelligence estimates. More than a dozen of these top-secret documents have been compiled thus far.

The booklets are published by CIA after exhaustive conferences with the six Government agencies that have intelligence sections—the State, Army, Navy and Air Force Departments, the Atomic Energy Commission and the Federal Bureau of Investigation.

Top Government officials who have seen them describe them as excellent. Even the subject matter is "classified," but it's reasonable to assume that CIA put out at least one attempting to predict the intention of the Chinese Communists toward Korea.

The estimates are published by CIA as part of its duty under the law, to "coordinate and evaluate" the intelligence information funneled to it by other Government departments. They represent not only the best information on a specific problem but also state what the "facts" mean to the welfare and security of the United States.

Often it means that CIA must take the risk of judging the intent of a potential enemy on the basis of the information it has been able to piece together—a process which exposes the general to the possibility of being proved a phony prophet.

An estimate of "intent" is given when CIA is convinced it has nearly all of the pieces of the puzzle at hand. When it honestly believes it can't determine "intent," it will say so rather than risk dressing up a hunch or guess as considered opinion.

CIA'S NEW national estimates seem to have the support of all Government intelligence agencies now. In the past, the State Department, at least, criticized them frequently on the grounds they were incomplete and misleading.

This behind-the-scenes criticism stemmed mostly from the technique CIA used at that time to write them. Sometimes they were written within CIA and then sent to the various Government intelligence departments for their concurrence or dissent. An agency was expected to object only when an estimate, in its view, was dangerously misleading.

"Beetle" has reversed the procedure. Experts from each Government intelligence

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Agency participate in writing national estimates from the very beginning.

After a first draft is prepared by lower level experts, the general sits down with the top intelligence directors from outside departments and goes over it point by point to make certain everyone agrees. More often than not these final sessions last for hours, and important changes are made.

If anyone dissents, on any ground, his dissent is included in the report. There is no attempt, officials say, to whittle a report down to something everybody will agree to. In the time "Beetle" has been on the job, no Government department has found it necessary to record a dissent. Several Government agencies are known to have registered repeated dissents to CIA estimates before he took over.

Once a national estimate is published and distributed, CIA is supposed to be on the alert for any information which might change it. In such cases, the report is revised and perhaps rewritten entirely. If the new information is particularly hot, a "crisis estimate" is prepared within a few hours and rushed to selected Government officials.

THE GENERAL has changed not only the way his estimates are prepared but also the purpose behind them. A national estimate, he has ruled, must devote itself to a broad problem which can't be assessed or evaluated adequately by a single department.

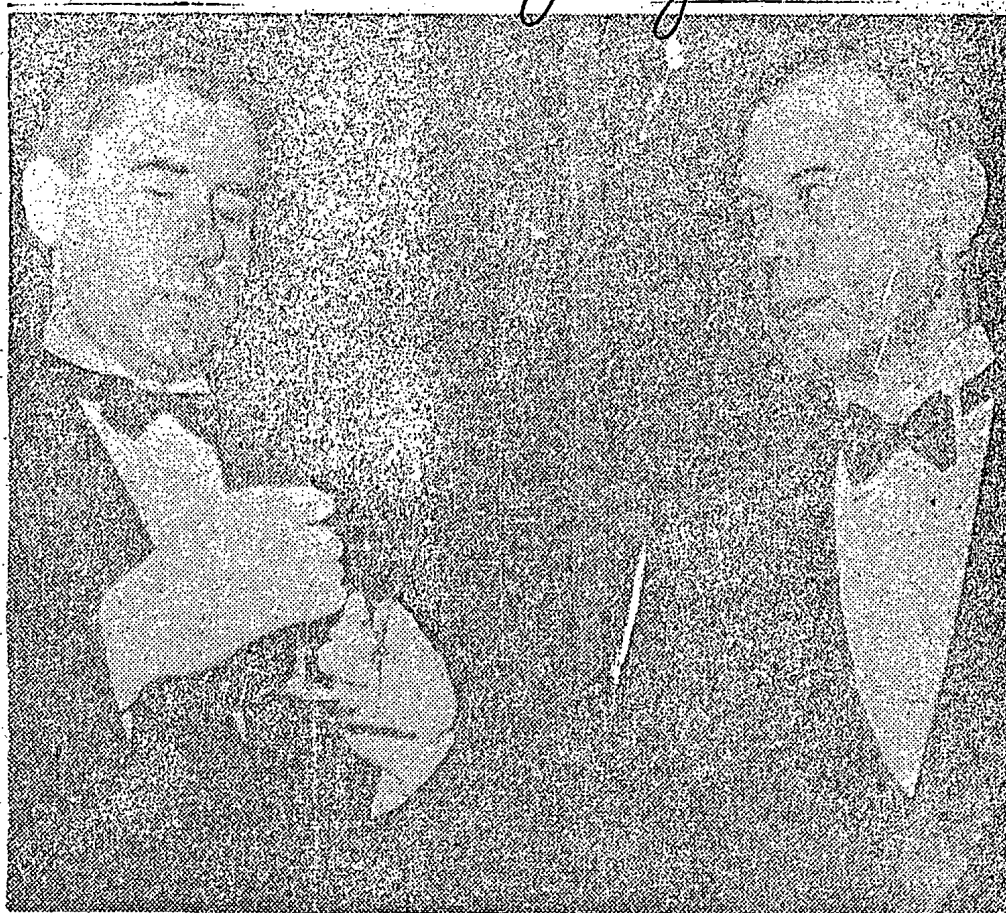
Further, he holds, it should deal with an immediate question, the answer to which will help the highest Government officials in their day-to-day work.

"We don't get detailed dissertations on the political situation in some relatively unimportant country from CIA any more, but we do get reports on what the Russians are doing and planning—which is an awful lot more important," is the way one official sums it up.

Under "Beetle's" new plan, an analysis of the political situation in Afghanistan, for example, is a job for the State Department's political intelligence experts, not for CIA.

Giving the State Department the authority to assess and process political information has helped restore harmony between the State Department and CIA. Secretary Acheson and his intelligence chief, W. Parke Armstrong, a former Army Intelligence expert, had always maintained that the State Department, with its thousands of diplomats throughout the world, was better equipped to handle the work.

"Beetle's" predecessors kept a good-sized staff of "political experts" whose main task was to check the accuracy of political information which the State Department sent to CIA. The general and his top aides decided this was an unnecessary duplication



Gen. "Beetle" Smith's experience with the Russians is valuable background for his new post as CIA chief. He was Ambassador to Moscow when he ex-

changed the wary toast pictured above with Deputy Soviet Foreign Minister Gromyko (left) at a Waldorf Astoria reception.

and eliminated CIA's more detailed work in this field.

AN IMPORTANT though tiny fraction of the information CIA receives comes from secret agents in key areas of the world. This is the most secret part of any intelligence operation, and American officials are understandably tight-lipped about it.

Presumably they include experts ranging from atomic scientists to economic and military specialists. And presumably the general supervises their work. Congress has given him authority to perform "such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally."

These are only speculations. However, it can be stated definitely that the vast bulk of all information CIA picks up comes from day-by-day study and analysis of readily available materials. These include newspapers, books, speeches, broadcasts and reports.

CIA's own experts do some of this work, but the biggest share is done by the six departments whose intelligence activities CIA coordinates.

The Army, Navy and Air Force Intelligence sections send along any military information they believe may be of interest. The State Department maintains a steady flow of important political news from abroad.

The Atomic Energy Commission quite naturally specializes in atomic information. The FBI forwards any scraps it picks up while protecting the Nation's internal security.

IN THE END, the accuracy of CIA's final report on a potential enemy's preparedness for war and his intentions will be no stronger than the raw materials these agencies feed to CIA. If one of them should fall down on the job, then CIA is almost certain to fail, no matter how good a reorganization and coordination job "Beetle" does. And the result could spell disaster for the United States.

Under the existing intelligence set-up, the general can and does prod each agency on occasion to prove that the information it has submitted is true. But even if it's proved wrong, he's powerless to fire anyone not in his agency.

If, however, someone on the CIA staff has contributed to the error by failing to evaluate the information correctly—look out! The general has a reputation for being a hard man who relaxes only when fishing.

And with the world teetering dangerously between war and peace, he realizes that if CIA makes many mistakes it may be a long time before he hooks a rainbow trout with his favorite split-bamboo rod.

By The Associated Press